STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2008

	January-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
		Allocation		Month		Allocation		Quarter		Allocation		Quarter				
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																
Structured Growth																
Los Angeles Capital	112,650	3.0%	3.4%	-9.31%	119,624	3.2%	3.4%	-1.50%	127,501	3.4%	3.4%	0.38%	-10.33%	21.84%	13.35%	N/A
Total Structured Growth	112,650	3.0%	3.4%	-9.31%	119,624	3.2%	3.4%	-1.50%	127,501	3.4%	3.4%	0.38%	-10.33%	21.84%	13.35%	10.94%
Russell 1000 Growth				-7.80%				-0.77%				4.21%	-4.65%	19.04%	8.70%	9.28%
Structured Value																
LSV	116,918	3.1%	3.4%	-3.79%	117,021	3.1%	3.4%	-5.53%	124,303	3.3%	3.4%	-0.89%	-9.92%	23.77%	19.00%	16.55%
Russell 1000 Value				-4.01%				-5.80%				-0.24%	-9.79%	21.87%	15.93%	13.31%
Russell 1000 Enhanced Index																
LA Capital	227,139	6.1%	6.8%	-8.07%	237,944	6.4%	6.8%	-1.07%	253,828	6.8%	6.8%	0.24%	-8.83%	21.27%	13.46%	N/A
Russell 1000				-6.00%				-3.23%				1.98%	-7.23%	20.43%	12.34%	
S&P 500 Enhanced Index																
Westridge	260,604	7.0%	6.8%	-5.92%	266,676	7.1%	6.8%	-3.04%	281,306	7.5%	6.8%	2.18%	-6.79%	21.12%	11.98%	N/A
S&P 500				-6.00%				-3.33%				2.03%	-7.29%	20.59%	11.68%	
Index																
State Street	69,925			-7.02%	72,386			-6.37%	77,081			-0.80%	-13.63%	21.82%	12.34%	11.08%
Total 130/30	69,925	1.9%	2.3%	-7.02%	72,386	1.9%	2.3%	-6.37%	77,081	2.1%	2.3%	-0.80%	-13.63%	21.82%	12.34%	11.08%
S&P 500				-6.00%				-3.33%				2.03%	-7.29%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	787,236	21.2%	22.5%	-6.84%	813,651	21.7%	22.5%	-2.89%	864,019	23.1%	22.5%	0.62%	-8.97%	21.86%	13.76%	12.22%
S&P 500				-6.00%				-3.33%				2.03%	-7.29%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																
Manager-of-Managers																
SEI	134,105	3.6%	3.8%	-7.57%	134,084	3.6%	3.8%	-6.35%	143,023	3.8%	3.8%	-3.66%	-16.61%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-6.65%				-4.09%				-2.60%	-12.80%	18.76%	15.72%	16.16%
Enhanced																
Research Affiliates	129,965	3.5%	3.8%	-5.26%	127,077	3.4%	3.8%	-7.00%	136,366	3.6%	3.8%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-6.82%				-4.58%				-3.09%	-13.83%			
TOTAL SMALL CAP DOMESTIC EQUITY	264,071	7.1%	7.5%	-6.44%	261,161	7.0%	7.5%	-6.67%	279,389	7.5%	7.5%	-4.98%	-17.03%	18.39%	13.70%	14.37%
Russell 2000				-6.82%				-4.58%				-3.09%	-13.83%	16.44%	13.45%	13.88%
DOMESTIC FIXED INCOME																
Core Bond																
Western Asset	744,205	20.0%	20.2%	1.78%	744,746	19.9%	20.2%	1.63%	728,665	19.5%	20.2%	1.87%	5.37%	7.29%	4.44%	5.64%
Lehman Aggregate				1.68%				3.00%				2.84%	7.71%	6.12%	3.98%	4.48%
Mortgage Backed																
Hyperion	198,452	5.3%	5.2%	0.58%	199,213	5.3%	5.2%	-1.00%	198,326	5.3%	5.2%	-1.78%	-2.20%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				2.04%				3.15%				3.88%	9.34%			
Core Plus/Enhanced																
Clifton Group	218,518	5.9%	5.2%	2.46%	217,107	5.8%	5.2%	3.99%	205,732	5.5%	5.2%	4.41%	11.25%	5.52%	N/A	N/A
Prudential	206,537	5.6%	5.2%	0.98%	208,162	5.6%	5.2%	2.45%	200,267	5.4%	5.2%	1.95%	5.47%	N/A	N/A	N/A
Total Core Plus/Enhanced	425,055	11.4%	10.4%	1.73%	425,269	11.4%	10.4%	3.23%	405,999	10.9%	10.4%	3.18%	8.37%	5.95%	N/A	N/A
Lehman Aggregate				1.68%				3.00%				2.84%	7.71%	6.12%		
Index																
Bank of ND	373,231	10.1%	9.1%	1.99%	372,558	9.9%	9.1%	3.04%	362,719	9.7%	9.1%	3.09%	8.35%	5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				1.90%				3.10%				3.01%	8.22%	6.00%	3.04%	4.35%
BBB Average Quality																
Wells Capital (formerly Strong)	732,550	19.7%	20.2%	1.07%	738,321	19.7%	20.2%	1.98%	718,998	19.2%	20.2%	1.48%	4.60%	7.93%	4.86%	6.59%
Lehman US Credit BAA				0.38%				1.90%				1.67%	3.99%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	2,473,493	66.6%	65.0%	1.50%	2,480,107	66.2%	65.0%	2.00%	2,414,708	64.5%	65.0%	1.84%	5.43%	7.11%	3.89%	5.04%
Lehman Aggregate (2)				1.68%				3.00%				2.84%	7.71%	6.12%	4.13%	4.87%
CASH EQUIVALENTS																
Bank of ND	187,719	5.1%	5.0%	0.29%	190,628	5.1%	5.0%	0.96%	183,769	4.9%	5.0%	1.24%	2.51%	5.36%	4.10%	3.00%
90 Day T-Bill				0.50%				1.05%				1.34%	2.92%	5.21%	3.78%	2.76%
TOTAL RISK MANAGEMENT FUND	3,712,519	100.0%	100.0%	-0.93%	3,745,547	100.0%	100.0%	0.22%	3,741,884	100.0%	100.0%	1.04%	0.32%	11.20%	6.46%	7.26%
POLICY TARGET BENCHMARK				-0.74%				0.92%				2.17%	2.34%	10.02%	6.27%	6.80%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.
(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.